



# WORKFORCE OBSERVATIONS

State of Wisconsin  
Department of Workforce Development  
Office of Economic Advisors

## FOR SOUTHEAST WISCONSIN COUNTIES

KENOSHA, RACINE AND WALWORTH COUNTIES

July 2004

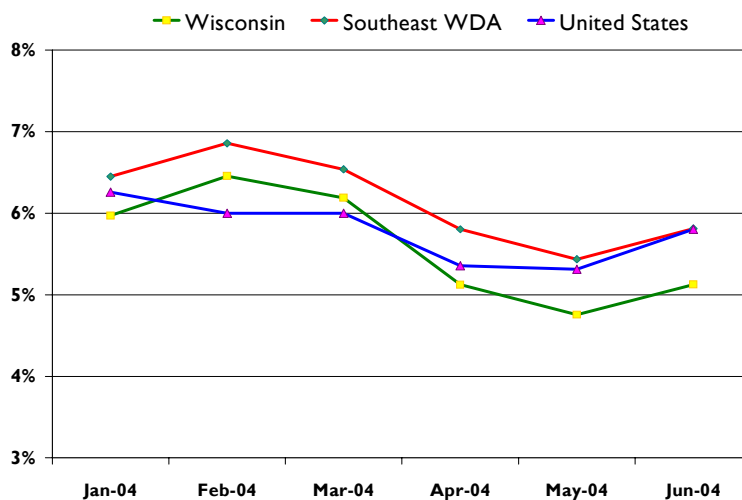
### INDUSTRY EMPLOYMENT LEVELS RISE IN SEASONAL SECTORS

The **Kenosha MSA** not seasonally adjusted unemployment rate was 5.7 percent in June. June's rate represented a monthly increase of five-tenths of a percentage point since May and a decrease of seven-tenths compared to June 2003. Annually, there are over 900 more employed and almost 700 fewer unemployed residents.

Kenosha's total industry employment level numbered 55,300 total jobs or 500 more jobs than in May. With the exceptions of education and health services and government employment, every other sector gained employment or at least remained unchanged over the month. The goods producers, construction and manufacturing gained a combined 300 jobs. Leisure and hospitality em-

ployment, alone, showed the single largest gain by sector adding 300 jobs, likely in a seasonal capacity. Professional and business services gained 100 jobs over the month and it is likely that most of these new jobs came from new hiring via employment agencies and temporary help services companies. From a historical standpoint the overall monthly growth in jobs was a bit above average for June.

#### Six-Month Unemployment Rate Watch



source: DWD and U.S. Bureau of Labor Statistics

Annually, Kenosha's industry employment shows an increase of 400 jobs, overall. This is the first month to show an overall, annual increase in employment since August of 2003. The employment growth industries were health care services (+600 jobs), professional and business services (+200 jobs) and retail trade (+300 jobs). Manufacturing showed an annual loss of 500 jobs. Other sectors showing employment decline over the year were transportation, warehousing and utilities; and other services.

The June unemployment rate for

### Civilian Labor Force Estimates for Southeast Wisconsin Counties: June 2004

	Wisconsin			Kenosha County			Racine County		
	Jun-04	May-04	Jun-03	Jun-04	May-04	Jun-03	Jun-04	May-04	Jun-03
Labor force	3,176,221	3,098,839	3,140,453	86,805	85,045	86,553	96,050	93,266	96,644
Employed	3,013,391	2,951,450	2,958,161	81,899	80,612	80,976	89,168	86,947	88,473
Unemployed	162,830	147,389	182,292	4,906	4,433	5,577	6,882	6,319	8,171
% Unemployed	5.1%	4.8%	5.8%	5.7%	5.2%	6.4%	7.2%	6.8%	8.5%
	Walworth County			Southeast WDA			United States		
	Jun-04	May-04	Jun-03	Jun-04	May-04	Jun-03	Jun-04	May-04	Jun-03
Labor force	58,335	57,535	58,131	241,190	235,846	241,328	146,659,000	146,260,000	146,067,000
Employed	56,104	55,466	55,647	227,171	223,025	225,096	138,867,000	138,423,000	137,567,000
Unemployed	2,231	2,069	2,484	14,019	12,821	16,232	7,792,000	7,837,000	8,500,000
% Unemployed	3.8%	3.6%	4.3%	5.8%	5.4%	6.7%	5.3%	5.4%	5.8%

Source: U.S. Bureau of Labor Statistics and DWD, Local Area Unemployment Statistics. Figures are not seasonally adjusted and current month's data are preliminary

## Industry Employment Estimates for Southeast Wisconsin - June 2004

	Wisconsin			Kenosha County			Racine County			Walworth County			Southeast WDA		
<u>Employment in 1,000's</u>	Change since June 2004	Change since May 2004	Change since June 2003	Change since June 2004	Change since May 2004	Change since June 2003	Change since June 2004	Change since May 2004	Change since June 2003	Change since June 2004	Change since May 2004	Change since June 2003	Change since June 2004	Change since May 2004	Change since June 2003
All Industries	2870.6	36.8	46.8	55.3	0.5	0.4	80.3	1.4	0.1	43.5	0.1	0.0	179.1	2.0	0.5
Construction/Natural Resources	138.1	7.1	0.5	2.4	0.1	0.0	3.9	0.1	-0.1	2.2	0.1	0.0	8.5	0.3	-0.1
Manufacturing	518.9	10.5	9.3	10.0	0.2	-0.5	19.3	0.4	-0.5	9.0	0.1	-0.1	38.3	0.7	-1.1
Total Trade	447.2	6.7	14.4	9.1	0.2	0.3	12.4	0.0	-0.3	5.9	0.1	0.1	27.4	0.3	0.1
Retail Trade	327.2	4.4	8.3	7.0	0.2	0.3	9.4	0.0	-0.2	xx	xx	xx	xx	xx	xx
Wholesale Trade	120.0	2.3	6.1	2.1	0.0	0.0	3.0	0.0	-0.1	xx	xx	xx	xx	xx	xx
Transport/Warehouse/Utilities	107.5	1.7	-0.2	1.5	0.0	-0.1	2.0	0.0	-0.1	1.2	0.0	-0.1	4.7	0.0	-0.3
Financial Activities	160.6	1.2	1.9	1.8	0.0	0.1	2.9	0.1	0.2	1.2	0.0	0.0	5.9	0.1	0.3
Education and Health Services	373.3	-2.1	8.5	8.1	-0.2	0.1	10.4	-0.1	0.4	3.9	0.1	0.1	22.4	-0.2	0.6
Leisure and Hospitality	269.2	11.4	6.5	6.5	0.3	0.1	7.1	0.4	0.1	8.3	0.7	0.0	21.9	1.4	0.2
Info./Prof./Bus. and Other Services	442.3	6.7	11.7	6.6	0.1	0.2	11.7	0.2	0.4	5.3	0.1	0.0	23.6	0.4	0.6
Information	48.6	-0.1	-1.2	0.5	0.0	0.1	0.6	0.0	0.0	xx	xx	xx	xx	xx	xx
Professional and Business Services	263.0	7.1	16.9	3.4	0.1	0.2	6.4	0.2	0.5	xx	xx	xx	xx	xx	xx
Other Services	130.7	-0.3	-4.0	2.7	0.0	-0.1	4.7	0.0	-0.1	xx	xx	xx	xx	xx	xx
Fed/State/Local Government	413.5	-6.4	-5.8	9.3	-0.2	0.2	10.6	0.3	0.0	6.6	-1.1	-0.1	26.5	-1.0	0.1

Source: U.S. Bureau of Labor Statistics and DWD, Current Employment Statistics. Figures are rounded and may not sum to total. Current month's figures are preliminary

the **Racine MSA** was 7.2 percent (not seasonally adjusted). June's rate was four-tenths of a percentage point higher than in May. Compared to last June, Racine County shows the most dramatic change in its labor force of the three regional counties with an unemployment rate that is 1.3 percent point lower than a year ago. This considerably lower rate signifies that there are 700 more employed and almost 1,300 fewer unemployed compared to June 2003. The overall effects of this change are mixed as the improvement in the number of employed is certainly welcome, but this is the first month in 2004 where the annual reduction in unemployed was larger than the annual increase of employed. This indicates annual labor force contraction for this month.

Racine's industry employment figures show a total 80,300 jobs in June. This is an increase of 1,400 jobs over the month. The largest monthly employment increases were in manufacturing and leisure and hospitality employment, each gaining 400 more jobs. Professional and business services and financial activities also showed monthly employment gains. The annual change was not as bright with just a small

increase of 100 total jobs compared to June 2003. There were sizable annual gains in many sectors such as education health services (+400 jobs), professional and business services (+500 jobs), financial activities (+200 jobs), and leisure and hospitality (+100 jobs). Gains of this size just offset the annual employment losses in manufacturing (-500 jobs), construction (-100 jobs), both wholesale and retail trade (-300 jobs), other services (-100 jobs) and transportation, warehousing and utilities (-100 jobs). Despite the low annual growth in June, this is the third month in a row to show more jobs, in total, compared to a year ago.

**Walworth County's** unemployment rate was 3.8 percent in June. This is two-tenths higher than in May and is five-tenths of a point lower June 2003's rate. Walworth County, annually, has over 450 more employed residents and 250 fewer unemployed. As per usual, Walworth's unemployment rate is the lowest of the southeast regional counties.

The county's industry employment estimates from the nonfarm wage and salary survey show a total of 43,500 jobs, which

is about 100 more jobs than in May. At first glance this is rather flat growth, but further examination shows that a large monthly (and seasonally typical) loss of 1,100 government jobs was offset by a large gain in leisure and hospitality employment (+700 jobs) and smaller gains of about 100 jobs each or no change at all in the other major sectors.

Annually, the jobs count is virtually unchanged. Small gains and losses are spread throughout sectors producing minimal overall change. Noteworthy is that education and health services employment is higher in 2004 by 100 jobs and manufacturing employment is lower by approximately 100 jobs.

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